

## **Moran and Pomeroy Introduce Bipartisan Legislation to Spur Job Growth in American Small Businesses**

WASHINGTON, D.C. – Congressman Jerry Moran (R-KS) and Congressman Earl Pomeroy (D-N.D.) have introduced legislation to deliver targeted tax relief to American small businesses, freeing up capital to hire new employees and put the American economy back on track.

Moran and Pomeroy teamed up to introduce the bipartisan Small Business Jobs and Tax Relief Act, HR 4779. The bill's key tax incentives are designed to encourage entrepreneurs to start and expand small businesses and create new jobs.

"Small businesses are the backbone of our economy and when small businesses succeed, jobs are created and communities are strengthened," Congressman Moran said. "This legislation supports job creation by reducing an employer's cost of doing business and encouraging reinvestment. I urge all of my colleagues in Congress to support this commonsense legislation."

"At a time when our country is struggling to crawl out of a national recession, Congress needs to enact policies that will help fuel job growth and put people back to work," Congressman Pomeroy said. "I believe this package will help us do just that. Over the past months I've met with dozens of small business owners from North Dakota and elsewhere, and this bill includes

some of the best ideas that they told me would encourage new job growth and continue to boost this economy.”

The job growth-spurring tax incentives in the Small Business Jobs and Tax Relief Act include:

**Encouraging businesses to invest in new equipment and property.** The bill would temporarily extend the additional first-year depreciation deduction for one year, generally for property acquired and placed in service during 2010.

**Encouraging new start-up businesses.** The bill temporarily increases the deduction for trade or business start-up expenditures from \$5,000 to \$20,000 between 2009 and 2011.

**Encouraging investment in small business stock.** The bill would increase the amount of gain that may be excluded on the sale of qualified small business stock from 75 to 100 percent for stock acquired in 2010 and from 50 to 100 percent in 2011. It would also provide from Alternative Minimum Tax relief from tax on small business stock gains.

**Limit penalties that unfairly target small businesses.** The bill would fix a snafu in the tax code that places huge penalties on small businesses for tax filing mistakes. The bill would fix tax disclosure penalties by tying fines to the value of tax benefits.

**Expanding availability of credit.** The bill would encourage the flow of capital to small businesses by allowing non-recourse loans to include Small Business Investment Company financing provided by the Small Business Administration as amounts to be treated as at-risk for the purpose of deducting the investment losses.

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